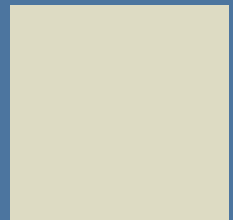
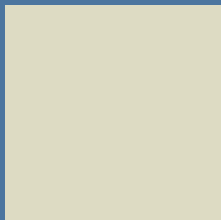
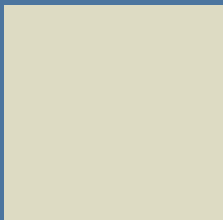
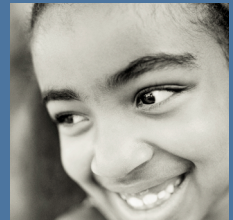
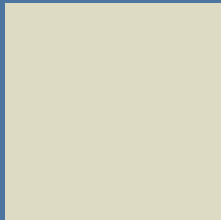
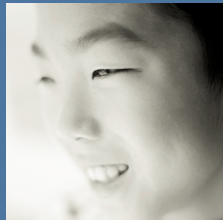
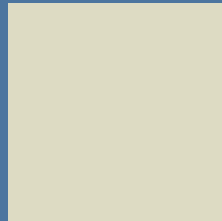
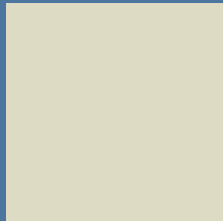
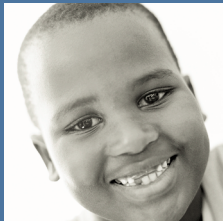


KEEPING OUR PROMISE TO THE DISTRICT'S CHILDREN

Highlights of the Proposed FY 2006 Operating Budget
District of Columbia Public Schools
December 16, 2004





THE CITIZENS AND SCHOOL BOARD OF THE DISTRICT OF COLUMBIA:

Our public school system promises every child a quality education. When I came to this city my goal was to make sure that we keep that promise for all of our children.

I know that our schools have long struggled with challenges ranging from poor test scores to aging buildings, inadequate materials and outdated equipment. With the goal of successful education for all, however, I intend to bring something new to the table: the expectation that we can — and will — do better. As we clearly have demonstrated by adopting the highly praised Massachusetts standards of learning, this is a new day for DCPS. This budget represents both my commitment to meeting this goal and a clear plan for how I intend to achieve it.

For my first proposed budget, I have focused our efforts on three key areas:

- **Academic Standards and Achievement.** We will adopt clear and challenging academic standards across the district and shape a new core curriculum for reading, math, science and other subjects. We will provide tests that tell us how well we're doing and professional development programs that help teachers teach the more demanding material. We also will provide extra challenges and extra help for students who need them.
- **Physical Facilities.** We will make sure that buildings are safe, clean and in good repair. Children cannot learn in classrooms that have no heat or air conditioning, leaky roofs, or broken equipment. We will move quickly to address problems caused by our aging structures, deferred maintenance projects and delayed improvements.
- **Instructional Technology.** We will upgrade and update our inadequate systems. By investing in people and equipment that can get the job done, we can provide greater accountability, better customer service, increased reliability and more overall transparency throughout the school system.

As you will see, while improvements to our physical facilities and technology are covered under this year's basic funding commitment from the D.C. City Council, many of our key academic proposals are as yet unfunded and fall into the category of Unmet Needs. Some of these needs require immediate attention; others are multiyear projects. Overall, however, each of these academic initiatives represents an important component of our strategic planning and deserves funding support as a necessary investment in the future of our children. In the coming months and years, I will be working with our School Board, Mayor and City Council, parents, and other partners to set priorities among these initiatives and develop strategies for making them happen.

I look forward to a continued collaboration with you and all of our community stakeholders to begin a new era of excellence in our public schools.

Clifford B. Janey, Ed.D.
Superintendent

PUTTING PROMISES INTO ACTION

Our proposed budget for FY 2006 will let us address, in a systematic way, many of the long-term challenges in our schools and allow us to move forward in our quest for academic excellence. To show you how this will happen, we are presenting our discussion in two parts:

- On pages 3–5, Budgeting for the Basics, you will see the anticipated operating revenue, which reflects what we expect our operating budget to be, including a 1.9 percent funding increase from the city. This part of the budget includes funding for building and technology improvements that are necessary to support children's learning.
- On pages 5–7 is a list of additional immediate and long-term programs and improvements related to the development of our comprehensive educational strategy that were not addressed in the projected budget. We believe these Unmet Needs are essential to our goal of a first-class school system in our nation's capital.

A New Beginning

Our FY 2006 budget differs in some important ways from previous approaches.

It is performance-based.

Spending is tied directly to initiatives that will raise student achievement. Programs that do not contribute to improved student learning are being cut or changed. Where new interventions are needed, this budget identifies them.

It is collaborative.

To the extent possible, our budget proposal reflects the community's priorities. It builds directly on the 11 priorities that we have identified as key levers for achieving broad and systemic change for our schools (see the sidebar on page 3).

Building on a two-day retreat in November 2004, community leaders and citizens are now fleshing out these levers for change, which will become the foundation for our strategic plan, the D.C. Education Compact. We expect to finalize the strategic plan — after additional community input — in early March. This budget proposal and strategic plan are moving forward together and reinforce each other.

It establishes a new level of accountability.

Citizens expect us to spend their money wisely — and we will. Through brochures such as this, along with extensive public outreach, we will be doing everything we can to make sure the public understands where the money is going and what results we expect for the spending. No secrets. This way, the community can hold us accountable for results.

Just as important, children and families have a right to hold all of the adults in the community accountable for providing the resources our children need to succeed. This goes for the adults inside the school system and the adults who support the schools through taxes, volunteer efforts and in other ways. *This budget makes the case for why all the adults of our community must work together for the benefit of our children.*

LEVERS OF CHANGE

Hundreds of representatives from throughout the community, organized by the D.C. Education Compact, are now preparing action plans to improve the city's school system in 11 key, overlapping areas. This budget addresses each of these strategic priorities.

- Prepare students for college and work.
- Help principals and teachers become better instructors.
- Use data to improve teaching.
- Hold ourselves accountable at all levels.
- Align standards, tests, curriculum, professional development, materials and instructional practices.
- Engage and involve parents and community members.
- Improve adult literacy.
- Nurture healthy children and families.
- Repair facilities.
- Manage efficiently.
- Create a culture of collaboration, inclusiveness and effectiveness.

BUDGETING FOR THE BASICS: WHERE THE MONEY COMES FROM

According to the preliminary "budget mark," we expect to receive \$1.02 billion in funds from multiple sources, which we will use to fund basic operations.

Funding Source	FY 2006 (projected budget in millions)	FY 2005 (board-approved budget in millions)	% change
Local (Mayor and City Council)	\$775.5	\$760.5	1.97
Federal (U.S. Dept. of Education and other federal funds that are earmarked for programs such as Head Start and Title 1)	\$173.3	\$117.5	47.59
Private (foundation funds, usually earmarked for specific programs such as early childhood programs)	\$4.7	\$3.7	27.13
Other (usage fees for leasing buildings, etc.)	\$7.9	\$7.3	7.94
Intra-District (fees for services, such as Medicaid, food services and driver's education, we provide for other government agencies)	\$62.4	\$54.4	14.65
TOTAL	\$1,023.8	\$943.4	8.53

Highlights

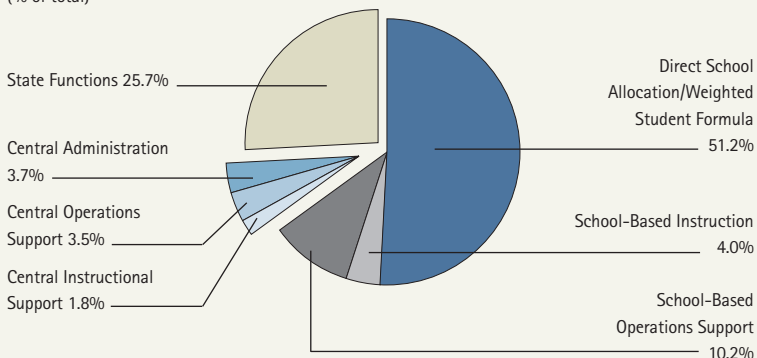
We expect this year's basic budget to be 8.5 percent higher than last year's — including a nearly 50 percent increase in federal funds and a 30 percent increase in private foundation funds. It is important to note, though, that a sizable share of the federal and private funds allocated to DCPS, as both a local and state entity, are earmarked for specific program deliverables. The substantial increase in federal funds is a result of the anticipated \$28.2 million in FY 2005 carryover dollars that will be rolled into FY 2006.

BUDGETING FOR THE BASICS: WHERE THE LOCAL MONEY GOES

Of the \$775.5 million in local funds, the vast majority will be spent at the school level or to support instructional programs.

Unlike other school districts, DCPS carries out the responsibilities of a city school district, plus the functions of a state education agency, such as special education and teacher certification. About one-fifth of the projected overall budget (\$212.2 million) will cover these state functions.

Projected FY 2006 funding level
(% of total)



Direct School Allocation/Weighted School Formula includes teachers and aides, principals, librarians, and school supplies.

School-Based Instruction includes substitute teachers, summer school, targeted assistance programs, athletics and computers.

School-Based Operations Support includes security, facilities and utilities.

Central Administration includes Superintendent's office, public information, parent affairs and human resources.

Central Instructional Support includes offices for academic programs, professional development, instructional technology and student services (such as violence and drug prevention programs).

Central Operations Support includes technology, management information systems, facilities management, mail, print shop and food service.

State Functions include special education, charter schools, transportation, administration of SAT-9, teacher credentialing and grants administration.

Highlights

School-level allocations and personnel costs will account for 69 percent of local revenues when state functions are excluded — up about 3 percent. The proposed budget increases school level allocations by \$4 million to raise the base foundation amount by 10 percent.

Only about 3.7 percent of local revenues will support central administrative functions.

We've allocated \$4.6 million in our Operations and Maintenance budget to begin to address the backlog of repair, maintenance and improvement needs of our aging school buildings, representing a 20 percent increase in funding. In addition, we will be conducting a comprehensive review of the Facilities Master Plan that guides the Capital Improvement budget, which is approved separately.

To help direct more resources to the classroom, we have identified about \$31 million in potential cost savings in several areas. In special education, we will start reducing our reliance on expensive nonpublic placements that currently serve approximately 20 percent of our students, as well as on other outside contractors who provide services such as transportation and evaluation. Other planned efficiencies include reduced outside legal fees, continued reductions in central office staff, streamlined and consolidated procurement of materials and supplies, and new performance guidelines for all contractors.

In addition, we expect that an audit of the district's long-troubled payroll system will uncover additional savings. On the revenue side, we will be more proactive in taking advantage of additional federal grants.

Anticipated collective bargaining settlements will result in increased labor costs in 2006. As local schools cannot afford to absorb these costs within their basic budgets, we are seeking additional local funds to address this need.

Proposed new programs to raise academic achievement, including adopting new academic standards, are not currently funded with the city's local revenues. A discussion of these proposed programs follows in Addressing Unmet Needs.

ADDRESSING UNMET NEEDS

Even with the projected increases in operating revenue, the proposed FY 2006 budget is inadequate to keep our promise of a quality education for every child in the District of Columbia. We must do much more, especially in areas that directly affect academic achievement.

Many of these initiatives are multiyear. We will be asking community stakeholders to help us develop a strategy for prioritizing, funding and implementing these programs. These efforts represent a long-term investment in our children. We hope the community is willing to make a significant down payment this year.

For All Grade Levels

Adopting first-class standards of learning and tests (\$3.0M). We have adopted Massachusetts' learning standards — the best in the nation — in the critical subjects of reading/English/language arts and mathematics. Now we must customize them for D.C.'s classrooms and develop new tests that meet the requirements of the federal No Child Left Behind law.

Extending the school year by 10 days (\$11.7M). Extra time will help teachers and students master the challenging curriculum called for by our new standards.

Before-school, after-school and summer programs (\$53.5M). Out-of-school-time programs promote learning and expose students to cultural, social, recreational and life-skill building opportunities that are unavailable during the school day.

Neighborhood Parent Resource Centers (\$5M). These one-stop sources of information, services and outreach will help parents help their children become better learners and plan for their futures.

Up-to-date library media centers with full-time staff (\$13.5M). Every school needs a library media center with a full-time certified library media specialist. All schools also should have mandated minimum funds for print and nonprint materials and related equipment.

More help in reading and math for students who need it (\$5.5M). We need to be more proactive in identifying students who need extra support, diagnosing what they need, and providing that help in timely and effective ways.

A more effective school improvement initiative (\$8.5M). Replacing the Transformation Model, our newly designed program will reach more schools with additional support and resources to meet the expectations of No Child Left Behind.

Upgrading school science facilities and strengthening the skills of science teachers (\$6.2M). To prepare for the No Child Left Behind science test in 2007, we propose installing science labs in schools that currently have no facilities, refurbishing or replenishing curriculum materials, and partnering with a local university to establish a Masters of Science Education degree program for teachers.

For Elementary and Middle Schools

Art and music in all elementary, middle and junior high schools (\$13.1M). This investment will provide teachers, equipment and supplies to make art, music and other arts part of the core curriculum in all levels throughout the district.

For High Schools

Raising high school graduation course and credit requirements (\$2.8M). Increasing the number of credits required, from 23.5 credit hours to 27.5, will better prepare our graduates to enter college or the workplace.

Offering more Advanced Placement (AP) courses (\$640K). To help increase our pass rate on AP exams, we will offer a minimum of two AP courses in every high school, as well as additional preparation for students and teachers.

Expanding our International Baccalaureate (IB) degree (\$72K). To support our IB program at Bannecker Academic Senior High School, we will offer IB programs at an elementary school, a middle school and a neighborhood high school.

Creating a challenging Technical Career program (\$3.1M). Challenging academic requirements — combined with the opportunity to gain advanced technical skills in technology, engineering or other fields — will better prepare students for today's jobs.

Smoothing the transition to high school with a Summer Bridges program (\$3.2M). Rising 9th- and 10th-grade students will become acquainted with the high school campus, gain learning and study skills to meet the challenging high school curriculum, and develop individualized academic progress plans.

For Staff

An instructional leader in every school (\$1.0M). We will make a focused, sustained effort to attract effective principals to D.C., and to develop leadership skills among principals and teachers already at work in our system.

Recruiting and retaining excellent teachers (\$1.1M). To achieve excellent schools, we will more proactively reach out to great teachers who share our high expectations for students.

Bringing our community together to start our children off right (\$11.5M). Our proposed Professional Development Institute will bring teachers and other early childhood professionals together to share skills and support the learning, health, social, family and other needs of children along the birth to age 8 continuum.

DISTRICT OF COLUMBIA BOARD OF EDUCATION

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LET US HEAR FROM YOU

We will be modifying this proposed budget based on public comments through January 12, 2005. After that, citizens will have additional chances to be heard as the City Council and mayor discuss the school budget throughout the spring. The City Council is scheduled to approve the final budget during April/May.

These are your schools and your community's children. Speak out.

Send your comments.

Write to:

District of Columbia Public Schools
825 North Capitol Street, NE
Washington, D.C. 20002

Or call:

(202) 724-4222
Fax (202) 442-5418
E-mail: CallCenter@k12.dc.us